



**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

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Washington, D.C. 20549

DIVISION OF ENFORCEMENT

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VIA ECF

Honorable Denise L. Cote
United States District Court
500 Pearl Street
New York, NY 10007

**Re: Securities and Exchange Commission v. Lek Securities Corp. et al.
Case No. 17 CV 1789 (DLC)**

Dear Judge Cote:

Pursuant to Paragraphs 1.A and 1.E of the Court's Individual Practices, Plaintiff Securities and Exchange Commission ("SEC") and defendants Lek Securities Corporation and Samuel Lek (the "Lek Defendants") write to advise the Court of a prospective settlement between the SEC and the Lek Defendants, and to request a related adjournment of pre-trial deadlines *solely as to the SEC's case against the Lek Defendants*.¹

Counsel for the SEC will submit the settlement proposal to the SEC's Commissioners for approval. Counsel for the SEC will request expedited review, but the review and approval process will nevertheless likely take several weeks. The SEC and the Lek Defendants therefore jointly request that pre-trial deadlines be suspended, only as to the trial of the SEC's claims against the Lek Defendants.²

No settlement is anticipated with regard to the SEC's claims against the remaining defendants: Avalon FA Ltd, Nathan Fayer, and Sergey Pustelnik (the "Avalon Defendants"). The SEC plans to proceed under all scheduled pretrial deadlines, and to proceed with the October 21, 2019 trial against the Avalon Defendants. For example, the Court has ordered that the parties exchange summary exhibits and charts no later than August 30, 2019, and that deadline shall remain in place as to the SEC's case against the Avalon Defendants.

¹ Counsel for the Lek Defendants agreed to the contents of this letter on this date.

² Several pretrial deadlines will occur in coming days and weeks, including the dates for exchanging summary exhibits (August 30), disclosing trial witnesses (September 3), and the filing of the pretrial order (September 13).

The SEC and the Lek Defendants therefore respectfully request that the Court adjourn all pre-trial deadlines as to the SEC's case against the Lek Defendants. If settlement between the SEC and the Lek Defendants does not occur, the SEC and the Lek Defendants will jointly propose for the Court's approval a revised schedule of pretrial deadlines, solely as to the claims against the Lek Defendants.

Respectfully submitted,

/s/ David J. Gottesman
Deputy Chief Litigation Counsel
Division of Enforcement

cc (via ECF): All counsel of record